

Explanation of Key Terms of The Lease

The Rent

Clause 1 – Period of Lease.

Clauses 2 & 3 - £1 sterling per year exclusive of rates and VAT, payable in advance and subject to punctual payment. (No rates currently payable.) The Council knows that any future changes could be a point of concern. However, policy decisions in this matter have been made by and are binding for the duration of the current Administration.

Restrictions

Clause 4 - No formal assignment or sub-letting of the whole or part of the premises permissible. This does not affect the right to arrange informal lets such as use of the hall for a keep-fit class.

Clause 5 - Tenants unable to raise finance by offering the premises as security or dispose of their interest in the property.

Clause 6 - Centre to be used as a community centre solely for social, educational, educational, cultural, leisure or recreational activities for the benefit of the whole community. This means that all sections of the community should have access to activities at the centre. (The community is defined in the constitution in terms of the Neighbourhood.)

Insurance and Liability

Clause 7 – The Council will be responsible for insuring the building. In the event of the building being damaged or destroyed, the Council will use the money received from the insurance company to rebuild or reinstate the building.

Clause 8- The management committee will be responsible for arranging and paying the contents insurance. This is current practice.

Clause 9 – The management committee will accept the premises as being in the condition stated in the Schedule of Condition which will be attached to the lease and the Council shall be responsible for internal and external repairs and maintenance . (The January 2010 Committee report recommended that all premises should be an acceptable Grade B condition and officers were remitted “to obtain a detailed quotation for remedial works required to bring all leased centres up to an acceptable Grade B standard”.

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Clause 10 – Management committees must not alter or add to the property without prior permission of the Council and may be required to make good any alterations or additions on the expiry or termination of the lease.

Clause 11 – Requires the management committee to maintain the property in a neat and tidy condition.

Clause 12 – The Council will not be responsible for any loss, damage or injury however sustained attributable directly or indirectly to any buildings, structures fittings or property belonging to the management committee or third party or to any activities carried on by the centre management or a third party e.g. a tutor taking a class or group using the centre.

Clause 13 – The Council will not be responsible or liable to pay compensation to the management committee for any loss, injury, damage or temporary deprivation of occupancy due to failure or insufficiency of services, (such as gas, electricity or water), and any defect or insufficiency in any part of the premises.

Clause 14 – Requires the management committee to comply with all aspects of current and future legislation and requirements of any government department, local or other public or competent authority including equal opportunities, child and adult protection guidance and legislation. Advice and support in this respect will be provided by various parts of the Council and its partners on matters such as health and safety, disclosure, finances, fund-raising etc.

Clause 15 - The management committee will allow the Council and its agents access to the premises for the duration of the lease on the provision of reasonable notice or in the event of emergency situations such as a gas leak.

Clause 16 - This is a requirement against storage of any dangerous or noxious substances or materials on the premises or against allowing any noxious or dangerous effluent into the sewer or drains. This covers instances such as storing fireworks or allowing photographic processing chemicals to be poured down sinks or toilets.

Clause 17 - The Council will be responsible for sufficiently supplying fire-fighting and extinguishing equipment, appliances and related signage.

Clause 18 - Prohibits the erection of any sign, poster notice, advertisement or display on the exterior of the premises without prior consent from the Council but states that this will not be unreasonably withheld. Normal signage bearing the name of the centre would be permitted.

Clause 19 - This clause allows the Council to terminate the lease and take back possession of the property where the premises are allowed to go unoccupied for a period of more than 2 months or the management committee is in breach of its

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any non-monetary obligations undertaken by them under the terms of the lease. Exceptions to this clause are circumstances where the property is beyond economic repair or rendered unsafe or unfit for beneficial occupation or use by any cause. Such circumstances could include a roof collapse, public health hazard and major incident. This is regarded as a measure of last resort.

In the case of a failure or contravention by the management committee which is capable of being remedied, even at a later date, then the Council will not exercise the right to terminate the lease without first requesting in writing that things are put right and then only exercising the right after a reasonable period has elapsed and the request has not been actioned, taking into account the nature and extent of the failure or contravention.

Clause 20 - All movable property belonging to the management committee must be removed from the property within seven days of the expiry of the lease or earlier termination. This will be subject to any restorative work required to the property as a result of damage to the property caused by the management committee. Any movable property belonging to the management committee that is remaining after the end of seven days will be deemed to have been abandoned and become the property of the Council without payment .

Clause 21 – When the lease expires or, if it is terminated at an earlier date, the management committee will leave the premises without any legal process to remove them and are legally obliged to repair, at their expense, any damage caused by their removal of any modifications, alterations, additions fixtures of fittings belonging to them. This would include, for example, any partition walls, extra doors, hanging cupboards, rails, pegs and wiring ducts.

Clause 22 – Any formal communication in relation to the terms of the lease must be in writing and will be considered effectively communicated 48 hours after posting **if sent by postal Recorded Delivery**. Any notice to the management committee will be sent to the community centre address and any notice to the Council will be sent to the Corporate Director – Corporate Governance or equivalent at the Town House, Aberdeen or correct office location at the time of sending. Proof of sending in line with these requirements will suffice as proof of serving notice under this clause.

Clause 23 – Should any question of interpretation of the provisions of this lease arise, then it should be referred to an arbiter chosen in agreement between the parties and, in the event of a failure to agree, then an arbiter will be appointed by the Sheriff Principal of Grampian Highland and Islands and any fee chargeable for this appointment will be considered an arbitration expense.

Clause 24 – The management committee will be bound by the terms of the accompanying Management Agreement and carried out in accordance with its terms. The Council will be entitled to amend or alter the said Management

Agreement in a reasonable manner at any time. This would be done openly and in full consultation with the management committee.

Explanation of Key Terms of The Management Agreement

Responsibilities:

Council

Responsible for payment of gas, water, electricity, climate levy, telephone rental, line charges, broadband and cleaning/hygiene related bills. The Council will also take responsibility for arranging and paying refuse collection, public liability insurance, employer's liability insurance, fire-fighting equipment and the costs of other routine maintenance checks.

Centre Management Committee

Responsible for payment of all bills other than the above using the historical budget provided by Council as indicated above.

Responsible for organising activities for the benefit of the community with or without payment of an entrance charge.

The centre management committee will permit Council use of premises subject to formal booking procedures. (This is not an obligation and any let is subject to the agreement of the management committee and payment of the appropriate fee.)

The management committee may determine fair rates for hire of the premises and retain the money for the benefit of the running and operation of the centre.

The centre is responsible for the welfare, health and safety of any centre employees who will be directly accountable to the centre management committee.

The centre management committee will be responsible for applying for any licences required in connection with centre activities and events and ensuring that any conditions of these licences are complied with. (Help with this can be provided by Council officers.)

The management committee will be required to provide keyholder information to the Council and have a minimum of two keyholders. It would also be preferable if the Council could hold a set of keys for emergency access purposes.

The centre management committee is required to maintain proper accounts for the centre and to submit them annually to the Council no later than 31st July in each year.

The centre is also required to adopt a constitution in terms of the model constitution notifying the Council of any subsequent changes. The Council reserves the right to terminate the lease if, in their opinion, the alterations could result in the premises being run undemocratically or against the best interests of the community.

Finance Model 2

This finance model was approved by the 7 January 2010, Education, Culture & Sport Committee.

What it means is that:

- The Council is responsible for providing a budget to centres for payment of certain bills.
- The intention is that that this will be paid as an enhanced grant in four quarters based on historical usage.
- Bills other than gas, water, electricity, climate levy, telephone rental, line charges, broadband and cleaning/hygiene related bills are payable by the centre management committee using the budget provided.

Every invoice that is processed by the Council incurs costs in terms of staff time and inputting onto the financial tracking system and monitoring of the same. Savings can be achieved by asking centres to take on this responsibility. It will be important that centres monitor the charges and are prudent in their usage notifying the Council Liaison Officer if there are concerns and any actions taken to address them.

The Council will continue to take responsibility for arranging and paying refuse collection, public liability insurance, employer's liability insurance, fire-fighting equipment and routine maintenance checks. The Council is also responsible for repairs to the fabric of the building. Information on how to access services will be contained in the Handbook being developed for centres.

Each centre will be annually provided with information on their budget for the forthcoming year and details of bill payment responsibilities.